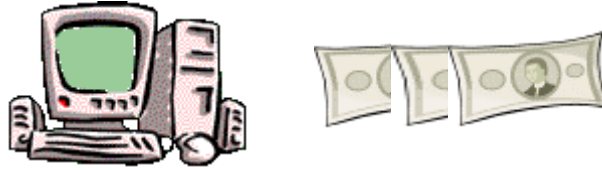


# ARIZONA ATTORNEY GENERAL'S "TOP 10" TIPS FOR BUYERS ON INTERNET AUCTIONS

*Going once, going twice...sold to YOU!*



## INTERNET AUCTIONS AND HOW THEY WORK

Internet auctions are like garage sales. Most sellers have just one item (perhaps a collectible or an item that is collecting dust in their closet – clothing, books, figurines, baseball cards, etc.) to sell. However if the seller offers multiple items, this is called a “Dutch” or “English” auction.

Internet auction sites work differently from one another. In some cases the auction sites require the seller to sell the item(s) to the highest bidder and other sites the seller may set a “reserved price,” that is the lowest possible price they will accept for the item(s).

Typically, the seller determines the acceptable form of payment for the item(s) and all sellers do not accept all forms of payment options. These include credit cards, cashier's checks, money orders, cash on delivery, debit cards, and auction escrow services. One of the safest forms of payments is a credit card. However, please remember while credit cards may be the safest form of payment, this is not always a guarantee! Before providing your credit card number to anyone, you should be familiar with all terms and conditions of your credit card company. If you have a dispute with the seller, you should also immediately dispute payment with (1) your credit card company, (2) the auction escrow company, and (3) the Arizona Attorney General's Office, Consumer Information & Complaints Unit – [www.azag.gov](http://www.azag.gov), see *Consumer*.

## CONSUMER TIPS

1. **Know the auction site** and how it works before you bid. Not all auction sites have the same bidding processes. Also, know what the auction site offers in terms of insurance and guarantees before you bid.
2. **Know the seller**, including their identity (their name other than e-mail address – some sellers may use a forged e-mail address), verify their telephone number before placing your bid, and check their feedback rating. Be wary if you do not have this information!
3. **Know what you are bidding on** before you bid on it – the value of the item, understand who will pay for shipping and insurance, and understand the seller's return policy (who pays for shipping if the item is returned, is there a restocking fee, etc.)
4. **Know the top price you will pay** for the item and stick to that price. Also, know the value (do your homework and price comparison) of the item before you bid. *Watch for words like “off-brand,” “refurbished,” “like new,” and “discontinued.”*
5. **Know the warranty (if available) and terms and conditions** before you bid. Check out any warranty offers directly with the warranty company. Check to see if the warranty is transferable, location of service centers, warranty termination clauses, and binding arbitration clauses.

6. **Know your payment options before you bid.** If the seller will not accept credit cards, consider using an auction escrow service —if you choose an auction escrow service – also know the terms and conditions of the auction escrow service, including their policies and procedures – *they are not all the same!*
7. **Protect your privacy! DO NOT** give anyone your social security number, driver's license number, or your birth date. **NO SELLER SHOULD NEED THIS INFORMATION!!!** If asked, report this to our office.
8. **Save all copies of your transaction information**, including the seller's responses (copies of ALL e-mails, copies of pictures, and note price, date, and time of bid).
9. **Do not bid on an item you do not intend to purchase.** If you are the highest bidder, you are obligated to pay for the item and if you back out of the deal, you may be barred from bidding again on that auction site.
10. **Remember – *If it sounds too good to be true, it probably is!!***

For more information on Internet auctions, please visit the Federal Trade Commission's site at [www.ftc.gov/bcp/online/edcams/onlineshopping/index.html](http://www.ftc.gov/bcp/online/edcams/onlineshopping/index.html)

### **WHERE TO FILE A COMPLAINT**

Arizona Attorney General's Office  
Consumer Information & Complaints  
1275 West Washington  
Phoenix, Arizona 85007  
(602) 542-5763 and (800) 352-8431 (Arizona only)  
[www.azag.gov](http://www.azag.gov) – see **Consumer**

Federal Trade Commission  
6<sup>th</sup> & Pennsylvania Avenue, N.W.  
Washington, D.C. 20580  
1-877-FTC-HELP  
[www.ftc.gov](http://www.ftc.gov)

Better Business Bureau  
4428 N. 12th Street, Phoenix, AZ 85014  
Phone: 602-264-1721  
877-291-6222 (Arizona only)  
[www.phoenix.bbb.org](http://www.phoenix.bbb.org)